

MAINE STATE LEGISLATURE

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STATE OF MAINE
HOUSE OF REPRESENTATIVES
107TH LEGISLATURE

COMMITTEE AMENDMENT " A " to H.P. 1061, L.D. 1341, Bill, "AN ACT to Authorize Bond Issue in the Amount of \$6,500,000 for the Construction and Renovations of Higher Education Facilities at the University of Maine."

Amend said Bill by striking out all of the title and inserting in place thereof the following: 'AN ACT to Authorize the Self-liquidating Bond Issue in the Amount of \$900,000 for Renovations of Housing Facilities at the University of Maine.'

Further amend said Bill by striking out everything after the title and inserting in place thereof the following:

'Preamble. Two-thirds of both Houses of the Legislature deeming it necessary in accordance with Section 14 of Article IX of the Constitution to authorize the issuance of self-liquidating bonds on behalf of the State of Maine to provide for renovations for the University of Maine.

Be it enacted by the People of the State of Maine, as follows:

Sec. 1. Issue of self-liquidating bonds to provide for renovations for the University of Maine. The Treasurer of State is authorized, under the direction of the Governor and Council, to issue from time to time serial coupon bonds in the name and behalf of the State to an amount not exceeding \$900,000 for the purpose of raising funds to provide for such renovations as authorized by section 9. Said bonds shall be deemed a pledge of the faith and credit of the State. Said bonds shall not run for a longer period than 20 years from the date of the original issue thereof. Any issuance of bonds may contain a call feature at the discretion of the Treasurer of State with the approval of the Governor and Council.

Sec. 2. University housing. The University shall operate such housing when alterations are

completed as a self-liquidating project until all the bonds issued as provided by this Act shall be retired and all the expenses incurred hereunder shall be paid. The University shall charge and collect such board and room fees or rentals for the use of said housing as may from time to time be determined and ordered by the Board of Trustees of the University, having due regard to the value of the services rendered, the cost of upkeep, maintenance, repairs and operation, and amortization of the principal of and interest on the bonds issued, and shall pay to the Treasurer of State for said amortization and interest the amount so charged and collected in excess of such cost of upkeep, maintenance, repairs and operation.

Sec. 3. Records of bonds issued to be kept by State Auditor and Treasurer. The State Auditor shall keep an account of such bonds, showing the number and amount of each, the date when payable and the date of delivery thereof to the Treasurer of State, who shall keep an account of each bond, showing the number thereof, the name of the person to whom sold, the amount received for the same, the date of sale and the date when payable.

Sec. 4. Sale, how negotiated; proceeds appropriated. The Treasurer of State may negotiate the sale of such bonds by direction of the Governor and Council; but no such bond shall be loaned, pledged or hypothecated in behalf of the State. The proceeds of the sales of such bonds, which shall be held by the Treasurer of State and paid by him upon warrants drawn by the Governor and Council, are appropriated to be used solely for the purpose set forth in this Act. Any unencumbered balances remaining at the completion of the projects listed in section 9 shall lapse to the debt service account established for the retirement of these bonds.

Sec. 5. Interest and debt retirement. Interest due or accruing upon any bonds issued under the provisions of this Act and all sums coming due for payment of bonds at maturity shall be paid by the Treasurer of State.

Sec. 6. Disbursement of bond proceeds. The proceeds of such bonds shall be expended under the direction and supervision of the board of trustees of the University with the approval of the Bureau of Public Improvements.

Sec. 7. Other sources of funds. This Act shall not in any manner preclude the University or the Treasurer of State from accepting from any authorized agency of the Federal Government or other non-state sources construction aid fund grants, debt service grant funds or other grants for the planning, construction, equipping or property acquisition for any of the projects provided for in this Act, or from entering into agreements with such agency or agencies respecting any such grants.

Sec. 8. Proceeds of bonds not available for other purposes, must be kept separate from other funds. The proceeds of all bonds issued under the authority of this Act and the funds made available for interest and debt retirement thereunder shall at all times be kept distinct from all other moneys of the State and shall not be drawn upon or be available for any other purpose.

Sec. 9. Allocations from self-liquidating bond issue.

<u>Project No.</u>	<u>Campus Location</u>	<u>Description</u>	<u>Project Cost</u>
1	Portland/ Gorham	Alterations to Robie- Andrews Dorm	\$900,000

Sec. 10. Contingent upon ratification of bond issue. Sections 1 to 9 of this Act shall not become effective unless and until the people of the State of Maine shall have ratified the issuance of bonds as set forth in this Act.

Sec. 11. Referendum for ratification. The aldermen of cities, the selectmen of towns and the assessors of the several plantations of this State are hereby empowered and directed to notify the

inhabitants of their respective cities, towns and plantations to meet in the manner prescribed by law for calling and holding biennial meetings of said inhabitants for the election of Senators and Representatives at the next general or special state-wide election to give in their votes upon the acceptance or rejection of the foregoing Act, and the question shall be:

"Shall the State provide alterations to housing facilities by issuing self-liquidating bonds in the amount of \$900,000, as passed by the 107th Legislature?"

The inhabitants of said cities, towns and plantations shall indicate by a cross or check mark placed within a square upon their ballots their opinion of the same, those in favor of ratification voting "Yes" and those opposed to ratification voting "No" and the ballots shall be received, sorted, counted and declared in open ward, town and plantation meetings, and return made to the office of the Secretary of State in the same manner as votes for Governor and Members of the Legislature, and the Governor and Council shall review the same and if it shall appear that a majority of the inhabitants voting on the question are in favor of the Act, the Governor shall forthwith make known the fact by his proclamation, and the Act shall thereupon become effective in 30 days after the date of said proclamation.

Secretary of State shall prepare ballots. The Secretary of State shall prepare and furnish to the several cities, towns and plantations ballots and blank returns in conformity with the foregoing Act, accompanied by a copy thereof.'

Statement of Fact

This amendment proposes to raise funds by self-liquidating bond issue for renovations of housing facilities at the Portland-Gorham Campus of the University of Maine. Under the bill, the Treasurer

of State may sell bonds by direction of the Board of Trustees of the University, with the approval of the Governor and Council, in an amount not exceeding \$900,000, for such project. The bonds would be serial coupon bonds payable within 20 years from date of issue.

Reported by the Committee on Appropriations and Financial Affairs.

Reproduced and distributed under the direction of the Clerk of the House.
5/8/75

(Filing No. H-264)